

DECEMBER 18, 2002

**STATEMENT FROM THE
INDIANA DEPARTMENT OF INSURANCE**

CONSECO, INC., CHAPTER 11 BANKRUPTCY FILING

On December 17, 2002, Consecos Inc, and two affiliates filed for permission to reorganize under Chapter 11 bankruptcy protection in the U.S. Bankruptcy Court in Chicago. The filing does not affect Consecos Life Insurance Company, the only Indiana domestic insurer in Consecos group of 13 subsidiary insurance companies. The Consecos insurance companies are separate legal entities from the holding company that filed the bankruptcy petition. It is crucial that consumers understand that none of the Consecos insurance companies have filed, or will file, for bankruptcy.

Department of Insurance staff members and other state regulators were made aware of the filing long before it took place. Consecos management has been in close contact with regulators as events leading up to the filing have unfolded. We have been working closely with our fellow state insurance regulators to monitor Consecos efforts to restructure its debt in this manner.

We will continue to closely monitor the financial condition of Consecos Life Insurance Company as events unfold. At this point, the company meets Indianas statutory requirements for minimum capital and surplus needed to do insurance business in Indiana. However, the Department is prepared to take appropriate action if it becomes necessary to protect the companys policyholders.

Consecos Life and the other Consecos insurance companies will continue to operate normally, including paying claims as appropriate. Before taking any action in regard to their policies, policyholders should be aware that the insurance company is not bankrupt.